

SULLIVAN JOHN L III
 Form 4
 May 22, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SULLIVAN JOHN L III

2. Issuer Name and Ticker or Trading Symbol
 EASTERN CO [EML]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 112 BRIDGE STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/20/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Vice President & CFO

NAUGATUCK, CT 06770

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|--------|---|
| | | | Code | V | Amount or Price | | | | |
| Common Stock ⁽¹⁾ | 05/20/2009 | | A | | 219 | A | 15,821 | D | |
| Common Stock ⁽²⁾ | 05/20/2009 | | F | | 15,821 | D | \$ 14.24 | 0 | D |
| Common Stock ⁽³⁾ | 05/20/2009 | | M | | 18,750 | A | \$ 12.33 | 18,750 | D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Qualified employee stock option <u>(4)</u> | \$ 12.33 | 05/20/2009 | | M | 18,750 | <u>(4)</u> 07/21/2009 | Common Stock | 18,750 |
| Non-qualified employee stock option <u>(5)</u> | \$ 10.17 | 12/15/1999 | | A | 0 | 12/15/1999 12/15/2009 | Common Stock | 15,000 |
| Qualified employee stock option <u>(6)</u> | \$ 9.5 | 07/19/2000 | | A | 0 | <u>(6)</u> 07/19/2010 | Common Stock | 30,000 |
| Qualified employee stock option <u>(7)</u> | \$ 9.6 | 04/26/2001 | | A | 0 | <u>(7)</u> 04/26/2011 | Common Stock | 22,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SULLIVAN JOHN L III 112 BRIDGE STREET NAUGATUCK, CT 06770 | | | Vice President & CFO | |

Signatures

/s/ John L.
Sullivan III

05/22/2009

**Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 219 shares acquired at various prices for the period of January 1, 2009 through May 6, 2009 under The Eastern Company Dividend Reinvestment Plan and The Eastern Company Employee Stock Purchase Plan.
- (2) 18,750 shares of previously acquired Eastern Company stock were surrendered to Eastern Treasury at the closing price on May 20, 2009 of \$14.24 per share, for the purchase of stock options by Mr. Sullivan.
- (3) 18,750 shares exercised on May 20, 2009 at \$14.24 per share by Mr. Sullivan. Original 7/21/1999 option was for 12,500 shares at \$18.50 per share. 5,400 shares were vested on date of grant 7/21/1999; 5,400 shares were vested on 1/1/2000 and the remaining 1,700 shares were vested on 1/1/2001. As a result of a 3-for-2 stock split effective 10/18/2006 this option is now for 18,750 shares at \$12.33 per share.
- (4) Original 7/21/1999 option was for 12,500 shares at \$18.50 per share. 5,400 shares were vested on date of grant 7/21/1999; 5,400 shares were vested on 1/1/2000 and the remaining 1,700 shares were vested on 1/1/2001. As a result of a 3-for-2 stock split effective 10/18/2006 this option is now for 18,750 shares at \$12.33 per share. On May 20, 2009, 18,750 shares were exercised at \$14.24 per share, leaving a zero balance.
- (5) Original 12/15/1999 option was for 10,000 shares at \$15.25 per share. As a result of a 3-for-2 stock split effective 10/18/2006 this option is now for 15,000 shares at \$10.17 per share.
- (6) Original 7/19/2000 option was for 20,000 shares at \$14.25 per share. 4,810 shares were vested on 1/1/2001; 7,017 shares were vested on 1/1/2002; 7,017 shares were vested on 1/1/2003, and the remaining 1,156 shares were vested on 1/1/2004. As a result of a 3-for-2 stock split effective 10/18/2006 this option is now for 30,000 shares at \$9.50 per share.
- (7) Original 4/26/2001 option was for 15,000 shares at \$14.40 per share. 5,800 shares were vested on 1/1/2004; 6,944 shares were vested on 1/1/2005, and the remaining 2,256 shares were vested on 1/1/2006. As a result of a 3-for-2 stock split effective 10/18/2006 this option is now for 22,500 shares at \$9.60 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.